

WASHINGTON METROPOLITAN AREA TRANSIT COMMISSION

WASHINGTON, DC

ORDER NO. 4991

IN THE MATTER OF:

Served January 6, 1997

Application of LCG, INC., Trading)
as LAUREL CONSULTING GROUP, for a)
Certificate of Authority --)
Irregular Route Operations)

Case No. AP-96-63

Applicant seeks a certificate of authority for irregular route operations in the Metropolitan District. The application is unopposed.

The Compact, Title II, Article XI, Section 7(a), authorizes the Commission to issue a certificate of authority if it finds that the proposed transportation is consistent with the public interest and that the applicant is fit, willing, and able to perform the proposed transportation properly, conform to the provisions of the Compact, and conform to the rules, regulations, and requirements of the Commission.

Applicant proposes commencing operations with seven minibuses. Applicant's proposed contract tariff contains annual rates for service to and from the Pentagon.

Applicant filed a balance sheet as of September 30, 1996, showing assets of \$1,059,481; liabilities of \$884,004; and equity of \$175,477. Applicant's projected operating statement for the first year of operations under the proposed contract tariff shows revenue of \$950,011; expenses of \$863,646; and net income of \$86,365.

Applicant certifies it has access to, is familiar with, and will comply with the Compact and the Commission's rules and regulations.

Based on the evidence in this record, the Commission finds that the proposed transportation is consistent with the public interest and that applicant is fit, willing, and able to perform the proposed transportation properly, conform to the provisions of the Compact, and conform to the rules, regulations, and requirements of the Commission.

Because applicant controls Suggs Transportation Services, Inc., Carrier No. 79, this case is also governed by Title II, Article XII, Section 3(a)(iii),¹ which provides that a "carrier or any person controlling, controlled by, or under common control with a carrier shall obtain Commission approval to . . . acquire control of another carrier that operates in the Metropolitan District through ownership of its stock or other means." The Commission may approve such a

¹ In re Executive Sedan Mgmt. Servs., Inc., t/a Washington Car & Driver, No. AP-94-26, Order No. 4354 (Aug. 1, 1994).

transaction if it is consistent with the public interest.² The public interest analysis under Article XII, Section 3, focuses on the acquiring party's fitness, the resulting competitive balance and the interests of affected employees.³

Analysis of the relevant factors supports a finding of consistency with the public interest. The acquiring parties in this case are two of applicant's officers. Our current finding of applicant's fitness permits an inference of the acquiring parties' fitness.⁴ Moreover, a presumption of fitness obtains where, as in this case, the acquiring parties control another WMATC carrier previously found fit.⁵ There should be no adverse effect on competition. Each commonly-controlled carrier will be operated independently of the other, and the Commission's records show that many other carriers presently serve this market. The interests of affected employees is not an issue where an applicant has no prior operations.⁶

The Commission finds that the proposed common control is consistent with the public interest.

Although the record does not indicate that applicant shares office space with Suggs, each carrier, nonetheless, is admonished to keep its assets, books and operations completely separate from the other's. Sharing of office space is permissible, but this should not be construed as permission to share revenue vehicles or operating authority.⁷

THEREFORE, IT IS ORDERED:

1. That upon applicant's timely compliance with the requirements of this order, Certificate of Authority No. 375 shall be issued to LCG, Inc., trading as Laurel Consulting Group, 14504 Greenview Drive, Suite 500, Laurel, MD 20708.

² Compact, tit. II, art. XII, § 3(c).

³ In re Cavalier Transp. Co., Inc., t/a Tourtime America, Ltd., & Tourtime America Motorcoach, Ltd., No. AP-96-21, Order No. 4926 (Sept. 12, 1996).

⁴ In re Double Decker Bus Tours, W.D.C., Inc., No. AP-95-21, Order No. 4642 (Aug. 9, 1995).

⁵ In re Capital Tours & Transp. (Virginia), Inc., No. AP-95-48, Order No. 4714 (Dec. 5, 1995).

⁶ Order No. 4642 at 8-9.

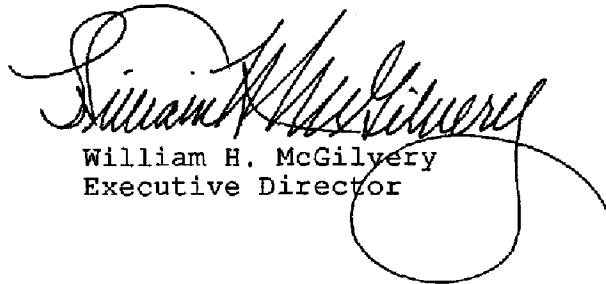
⁷ In re Metro Access of Md. Inc., No. AP-94-07, Order No. 4284 (Apr. 26, 1994).

2. That applicant may not transport passengers for hire between points in the Metropolitan District pursuant to this order unless and until a certificate of authority has been issued in accordance with the preceding paragraph.

3. That applicant is hereby directed to file the following documents within thirty days: (a) evidence of insurance pursuant to Commission Regulation No. 58 and Order No. 4203; (b) an original and four copies of a tariff or tariffs in accordance with Commission Regulation No. 55; (c) an equipment list stating the year, make, model, serial number, vehicle number, license plate number (with jurisdiction) and seating capacity of each vehicle to be used in revenue operations; (d) evidence of ownership or a lease as required by Commission Regulation No. 62 for each vehicle to be used in revenue operations; (e) proof of current safety inspection of said vehicle(s) by or on behalf of the United States Department of Transportation, the State of Maryland, the District of Columbia, or the Commonwealth of Virginia; and (f) a notarized affidavit of identification of vehicles pursuant to Commission Regulation No. 61.

4. That the grant of authority herein shall be void and the application shall stand denied upon applicant's failure to timely satisfy the conditions of issuance prescribed herein.

BY DIRECTION OF THE COMMISSION; COMMISSIONERS ALEXANDER, LIGON, AND MILLER:



William H. McGilvery
Executive Director